

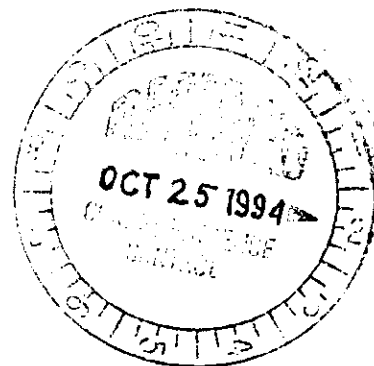


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Department of Energy

OCT 24 1994



94-PMDB-140

President
Westinghouse Hanford Company
Richland, Washington

Dear Sir:

COMMENTS TO THE WHC/ICF KH BRIEFING ON THE 200 AREA EFFLUENT TREATMENT FACILITY

On October 4, 1994, WHC provided a briefing to RL on two options under consideration for the 200 Area Effluent Treatment Facility (C-018). The options addressed the issue of meeting Tri-Party Agreement (TPA) for hot operations of the 200 Area Effluent Disposal Facility. We appreciate the briefing and commend WHC for investigating alternatives which could improve performance. However, both option presented reflected a significant increase in cost.

Option 1, Proceed with Present Logic, indicated that capital costs would increase by \$3.7 million capital and there would be no path that would lead to completion of the milestone with less than an eight month slip. Option 2, Contract ADTECHS to Startup Operations of the Facility, indicated that cost would increase by approximately \$3.0 million capital and \$3.0 million expense, but would provide a small chance of meeting the TPA. Option 2 also increases the responsibility and accountability of the designer and constructor to demonstrate that the facility will operate to meet its performance objectives.

RL does not intend to approve either Option. RL is of the opinion that Option 2 will not meet the TPA, but may provide shorter slip to the schedule. However, there are other issues associated with this option that make it less desirable. Further, WHC did not identify during the briefing, nor is RL aware of, any DOE-directed technical baseline changes on this activity which would have caused schedule delays or cost increases to the project.

Please take the necessary actions to assure meeting the TPA within the existing cost and schedule baseline in a safe and quality manner.




WHC

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OCT 24 1994

If you have questions regarding this matter, please feel free to contact either of us.

Sincerely,


June M. Hennig, Director
Waste Programs Division


Wu S. Chin, Acting Director
Project Management Division

PMD:RMH

cc: J. R. Kelly, WHC
R. A. Smith, WHC
T. B. Venziano, WHC

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Subject: COMMENTS TO THE WHC/ICF KH BRIEFING ON THE 200 AREA EFFLUENT TREATMENT FACILITY		

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